THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) ICICI Bank Ltd. and Bank of Baroda had applied to the United States of America (USA) authorities for establishing their branch (one each) in USA in June, 2004 and October, 2004 respectively. State Bank of India applied to the authorities in USA in May 2005 for establishing two branches.

ICICI Bank Ltd. has received approval from Federal Reserve Board and the Office of the Comptroller of the Currency (OCC) in October, 2007 to establish a federally chartered branch office in New York, USA. The Bank has opened its branch on 29th February, 2008. SBI has also received approval from Federal Reserve Board, for opening of its branch at Jackson Heights, New York, in January, 2008.

As on 31 st December, 2007, four American banks have 52 branches functioning in India, out of which Citibank has 39 branches, American Express Bank Ltd. has 7, Bank of America has 5 and JP Morgan Chase Bank has 1 branch.

Economic disparities

1139. SHRIMATI SYEDA ANWARA TAIMUR: SHRI VIJAY J. DARDA:

Will the Minister of FINANCE be pleased to state:

whether the subsidies meant to bridge economic disparities actually reached the poor, especially below-poverty-line, from Rs. one lakh crore budgeted during 2007-08 as subsidies in food, fertilizer and petroleum;

if so, whether major portion of these subsidized items like fertilizer and Petroleum products are being purchased by big farmers and middle class consumers and BPL beneficiaries not having purchasing power even to buy subsidized food items; and

how Government proposes to explore a 'new middle path' for efficacy of subsidies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The amount of subsidies during 2007-08 (RE) for food, fertilizers and petroleum is estimated at Rs 64,929 crore. The food subsidies are largely designed to be targeted to people below the poverty line (BPL), the other two subsidies, namely fertilizer and petroleum, particularly the LPG are available to all users/consumers. A study by Programme Evaluation Organisation (PEO) of the Planning Commission regarding Targeted Public Distribution System (TPDS) which covered 18 states reveals that though the offtake per household has shown improvement under TPDS, yet only about 57 per cent of the BPL households are covered by it. Further the report finds that only about 42 per cent of the subsidized grains issued by the Central Pool reaches the target group.

Based on evaluation studies and feedback received from states, a nine point action plan has been jointly formulated by the Central and the State/UT governments to strengthen the TPDS. These include regular reivews of the BPL and Antyodaya Ann Yojana (AAY) lists to ensure coverage of eligible families, involvement of Panchayati Raj Institutions in the public distribution system (PDS) operations, use of information technology, creating awareness among public about PDS operations, etc.